

# REQUEST: NON-COMPETITIVE AMENDMENT

APPROVED

Commissioner of Finance &amp; Administration

Date:

Each of the request items below indicates specific information that must be individually detailed or addressed as required. A REQUEST CAN NOT BE CONSIDERED IF INFORMATION PROVIDED IS INCOMPLETE, NON-RESPONSIVE, OR DOES NOT CLEARLY ADDRESS EACH OF THE REQUIREMENTS INDIVIDUALLY AS REQUIRED.

<b>RFS #</b>	318.66-033		
<b>STATE AGENCY NAME :</b>	Department of Finance and Administration Bureau of TennCare		
<b>SERVICE CAPTION :</b>	Managed Care organization which provides medically necessary health care services to the TennCare/Medicaid Population		
<b>CONTRACT #</b>	FA-02-14864-00	<b>PROPOSED AMENDMENT #</b>	6
<b>CONTRACTOR :</b>	VHP Care, Inc.		
<b>CONTRACT START DATE :</b>	07/01/2001		
<b>CURRENT, LATEST POSSIBLE END DATE :</b> (including ALL options to extend)	12/31/2005		
<b>CURRENT MAXIMUM LIABILITY :</b>	\$237,067,838.70		
<b>LATEST POSSIBLE END DATE WITH PROPOSED AMENDMENT :</b> (including ALL options to extend)	12/31/2006		
<b>TOTAL MAXIMUM COST WITH PROPOSED AMENDMENT :</b> (including ALL options to extend)	\$346,710,139.48		
<b>APPROVAL CRITERIA :</b> (select one)	<input checked="" type="checkbox"/> use of Non-Competitive Negotiation is in the best interest of the state <input type="checkbox"/> only one uniquely qualified service provider able to provide the service		
<b>ADDITIONAL REQUIRED REQUEST DETAILS BELOW</b> (address each item immediately following the requirement text)			
<b>(1) description of the proposed additional service and amendment effects :</b>			
Extends the term of current contract as well as provide funding for term extension.			
<b>(2) explanation of need for the proposed amendment :</b>			

We believe that it is in the best interests of the State to maintain this relationship to ensure the stability of the TennCare Program and prevent the disruption of services to TennCare enrollees .

(3) name and address of the proposed contractor's principal owner(s) :  
(not required if proposed contractor is a state education institution)

VHP Community Care  
215 Centerview Dr.  
Suite 300  
  
Brentwood, TN 37027

(4) documentation of OIR endorsement of the Non-Competitive procurement request :  
(required only if the subject service involves information technology)

select one:



Documentation Not Applicable to this Request



Documentation Attached to this Request

(5) documentation of Department of Personnel endorsement of the Non-Competitive procurement request :  
(required only if the subject service involves training for state employees)

select one:



Documentation Not Applicable to this Request



Documentation Attached to this Request

(6) description of procuring agency efforts to identify reasonable, competitive, procurement alternatives rather than to use non-competitive negotiation :

This contract is not a result of non-competitive negotiations. MCO contracts have been offered to any organization that has expressed interest, demonstrated specific qualifications outlined in the Agreements, and willingly accepted the terms of the Agreements. There are currently 6 different organizations that have MCO Contracts.

(7) justification of why the F&A Commissioner should approve a Non-Competitive Amendment :

The approval of this amendment by F&A will ensure the best interests of TennCare enrollees will be served. Based on the network of providers that provider currently has, TennCare is confident that the continuation of this agreement will prevent any disruption of services to enrollees.

**AGENCY HEAD REQUEST SIGNATURE:**

(must be signed by the ACTUAL procuring agency head as detailed on the Signature Certification on file with OCR — signature by an authorized signatory will be accepted only in documented exigent circumstances)

**SIGNATURE DATE:**

AMENDMENT NUMBER 6

AMENDED AND RESTATED CONTRACTOR RISK AGREEMENT

BETWEEN  
THE STATE OF TENNESSEE,  
d.b.a. TENNCARE  
AND  
VHP, INC.,  
d.b.a. VHP COMMUNITY CARE

CONTRACT NUMBER: FA-02-14864-00

For and in consideration of the mutual promises herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree to clarify and/or amend the Amended and Restated Contractor Risk Agreement (CRA) by and between the State of Tennessee TennCare Bureau, hereinafter referred to as TENNCARE, and Contractor Name, hereinafter referred to as the CONTRACTOR as specified below.

Titles and numbering of paragraphs used herein are for the purpose of facilitating use of reference only and shall not be construed to infer a contractual construction of language.

1. Section 4-28 shall be deleted and replaced in its entirety so that the amended Section 4-28 shall read as follows:

**4-28. Term of the Agreement**

This Agreement and its incorporated attachments, if any, as well as all Amendments to this Agreement, contain all of the terms and conditions agreed upon by the parties, and when executed by all parties, supersedes any prior agreements except as stated in Section 1-7. Unless a provision contained in this Amendment specifically indicates a different effective date, for purposes of the provisions contained herein, this Amendment shall be in effect from July 1, 2001, subject to approval by the U.S. Department of Health and Human Services, Centers for Medicare & Medicaid Services. The term of this Agreement shall expire on December 31, 2005. Notwithstanding any provision herein to the contrary, this Agreement shall automatically renew for calendar year 2006 with an expiration date of December 31, 2006 unless the CONTRACTOR or the State complies with Section 4-2.(f) regarding non-renewal or unless the State approves termination of the Agreement in accordance herewith. Said renewal shall be automatic and shall not require any notice or other action.

Notwithstanding any provision herein to the contrary, the State may terminate this Agreement if the waiver governing TennCare is terminated. The documents referenced in the Agreement are on file with the CONTRACTOR and with TENNCARE and the CONTRACTOR is aware of their content. No other agreement, oral or otherwise regarding the subject matter of this Agreement, shall be deemed to exist or to bind any of the parties hereto.

2. The September 11, 1995 Amended and Restated Contractor Risk Agreement, as amended, shall be amended by deleting and replacing the date "December 31, 2004" with "December 31, 2005" in all references regarding the Stabilization Period ending December 31, 2004. This shall include, but not be limited to Sections 1-3, 3-10.h and Attachment X.D.

Amendment 6 (cont.)

All of the provisions of the original Agreement not specifically deleted or modified herein shall remain in full force and effect. Unless a provision contained in this Amendment specifically indicates a different effective date, for purposes of the provisions contained herein, this Amendment shall become effective January 1, 2005 or as of the date it is approved by the U.S. Department of Health and Human Services, Centers for Medicare & Medicaid Services.

IN WITNESS WHEREOF, the parties have by their duly authorized representatives set their signatures.

STATE OF TENNESSEE  
DEPARTMENT OF FINANCE  
AND ADMINISTRATION

BY: M. D. Goetz, Jr. DG  
M. D. Goetz, Jr.  
Commissioner

DATE: 12/10/2004

APPROVED BY:

STATE OF TENNESSEE  
DEPARTMENT OF FINANCE  
AND ADMINISTRATION

BY: \_\_\_\_\_  
M. D. Goetz, Jr.  
Commissioner

DATE: \_\_\_\_\_

VHP, INC.

BY: Michael Bailey  
Michael Bailey  
President and Chief Executive Officer

DATE: 11/23/04

APPROVED BY:

STATE OF TENNESSEE  
COMPTROLLER OF THE TREASURY

BY: \_\_\_\_\_  
John G. Morgan  
Comptroller

DATE: \_\_\_\_\_

318.66-033

FA-02-14864-06

Department of Finance and Administration

Bureau of TennCare

VHP CARE, INC

☐ V-  
☐ C-

Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population

7/1/2001.

12/31/2006

318.66	420	134	11	<input type="checkbox"/> STARS		
FY	State Funds	Federal Funds	Interdepartmental Funds	Other Funding	Total Contract Amount (including ALL amendments)	
2002	\$ 23,953,123.00	\$ 41,992,567.00			\$	65,945,690.00
2003	\$ 20,079,800.00	\$ 34,576,600.00			\$	54,656,400.00
2004	\$ 16,554,335.33	\$ 30,031,964.15			\$	46,586,299.48
2005	\$ 26,596,250.00	\$ 45,212,450.00			\$	71,808,700.00
2006	\$ 26,596,250.00	\$ 45,212,450.00			\$	71,808,700.00
2007	\$ 12,671,550.00	\$ 23,232,800.00			\$	35,904,350.00
	\$ 126,451,308.33	\$ 220,258,831.15	\$ -	\$ -	\$	346,710,139.48
	93.778					

Name: Scott Pierce  
 Address: 729 Church Street  
 Phone: Nashville, TN  
 (615)532-1382

Scott Pierce



	12/31/2005	12/31/2006
FY: 02	\$65,945,690.00	
FY: 03	\$54,656,400.00	
FY: 04	\$46,586,299.48	
FY: 05	\$46,586,299.48	\$25,222,400.52
FY: 06	\$23,293,149.74	\$48,515,550.26
FY: 07		\$35,904,350.00
	\$237,067,838.70	\$109,842,300.78

Pursuant to T.C.A., Section 9-8-113, I, M. D. Goetz, Jr., Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.

# CONTRACT SUMMARY SHEET

RFI Number	318.66-033	Contract Number	FA-02-14864-05
State Agency	Department of Finance and Administration	Division	Bureau of TennCare
Contractor		Contract Identification Number	
VHP CARE, INC		<input type="checkbox"/> V- <input type="checkbox"/> C-	

Service Description  
 Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population

Contract Begin Date	Contract End Date
7/1/2001	12/31/2005

Amount Code	Cost Center	Order Code	Fund	Grant	Grant Code	Subgrant Code
318.66	420	134	11	<input type="checkbox"/> STARS		
FY	State Funds	Federal Funds	Interdepartmental Funds	Other Funding	Total Contract Amount (including ALL amendments)	
2002	\$ 23,953,123.00	\$ 41,992,567.00			\$	65,945,690.00
2003	\$ 20,079,800.00	\$ 34,576,600.00			\$	54,656,400.00
2004	\$ 16,554,335.33	\$ 30,031,964.15			\$	46,586,299.48
2005	\$ 16,554,335.33	\$ 30,031,964.15			\$	46,586,299.48
2006	\$ 8,277,167.67	\$ 15,015,982.07			\$	23,293,149.74
Total	\$ 85,418,761.33	\$ 151,649,077.37	\$ -	\$ -	\$	237,067,838.71

G.D.A.	93.778	Check this box ONLY if the answer is YES
State Fiscal Contract		Is the Contract for a SUBRECIPIENT (per OMB A-133)?
Name: Dean Daniel Address: 729 Church Street Phone: Nashville, TN (615)532-1362		Is the Contract for a Vendor? (per OMB A-133)?
Procuring Agency/Budget Officer Approval Signature		Is the Fiscal Year Funding SIMULTANEOUSLY LIMITED?
Dean Daniel <i>Dean Daniel 6/22/04</i>		Is the Contractor STARS?
		Is the Contractor FORM W-9 ATTACHED?
		Is the Contractor Form W-9 Filed with Accounts?

COMPLETE FOR ALL AMENDMENTS (only)		
	Base Contract / Prop. Amendments	This Amendment ONLY
END DATE	12/31/2005	
FY: 02		
FY: 03		
FY: 04		
FY: 05		
FY: 06		
Total	\$0.00	\$0.00

Pursuant to T.C.A., Section 9-6-113, I, M. D. Goetz, Jr., Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.

RECEIVED  
 2004 JUN 25 AM 10:25  
 COMPTROLLER'S OFFICE  
 OFFICE OF  
 MANAGEMENT SERVICES

# CONTRACT SUMMARY SHEET

RF# Number	318.66-033	Contract Number	FA-02-14864-04
State Agency	Department of Finance and Administration	Division	Bureau of TennCare
Contractor	Contract Administrator Number		

VHP CARE, INC	<input type="checkbox"/> V- <input type="checkbox"/> C-
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Service Description	Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population
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Contract Start Date	7/1/2001	Contract End Date	12/31/2005
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Allocation Code	Contract Number	Subcontract	Amount	Start	Contract Type	Subcontract Code
318.66	420	134	11	<input type="checkbox"/> STARS		
FY	State Funds	Federal Funds	Interdepartmental Funds	Other Funding	Total Contract Amount (including ALL amendments)	
2002	\$ 23,953,123.00	\$ 41,992,567.00			\$	65,945,690.00
2003	\$ 20,079,800.00	\$ 34,576,600.00			\$	54,656,400.00
2004	\$ 16,554,335.33	\$ 30,031,964.15			\$	46,586,299.48
2005	\$ 16,554,335.33	\$ 30,031,964.15			\$	46,586,299.48
2006	\$ 8,277,167.67	\$ 15,015,982.07			\$	23,293,149.74
	\$ 85,418,761.33	\$ 151,649,077.37	\$ -	\$ -	\$	237,067,838.71

Contract Number	93.778
Name:	Dean Daniel
Address:	729 Church Street
Phone:	Nashville, TN (615)532-1362

Programs/Agency/Supervisor/Approval Signature	Dean Daniel
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COMPLETE FOR ALL AMENDMENTS FROM		
FY	Amount	Amount
	12/31/2005	
FY: 02	\$65,945,690.00	\$0.00
FY: 03	\$54,656,400.00	\$0.00
FY: 04	\$46,586,299.48	\$0.00
FY: 05	\$46,586,299.48	\$0.00
FY: 06	\$23,293,149.74	\$0.00
	\$237,067,838.71	\$0.00

Pursuant to T.C.A., Section 9-6-113, I, M. D. Goetz, Jr., Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.

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# CONTRACT SUMMARY SHEET

Contract Number	318-66-033	Contract Funds	FA-02-14864-03
State Agency	Department of Finance and Administration	Division	Bureau of TennCare
Contractor	VHP CARE, INC	Contract Identification Number	
		<input type="checkbox"/> V-	
		<input type="checkbox"/> C-	

Service Description  
Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population

Contract Begin Date	7/1/2001	Contract End Date	12/31/2005
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Contract Code	State Funds	Federal Funds	Interdepartmental Funds	Other Funding	Total Contract Amount (including ALL amendments)
318.66	420	134	11	<input type="checkbox"/> STARS	
FY	State Funds	Federal Funds	Interdepartmental Funds	Other Funding	Total Contract Amount (including ALL amendments)
2002	\$ 23,953,123.00	\$ 41,992,567.00			\$ 65,945,690.00
2003	\$ 20,079,800.00	\$ 34,576,600.00			\$ 54,656,400.00
2004	\$ 16,554,335.33	\$ 30,031,964.15			\$ 46,586,299.48
2005	\$ 16,554,335.33	\$ 30,031,964.15			\$ 46,586,299.48
2006	\$ 8,277,167.67	\$ 15,015,982.07			\$ 23,293,149.74
	\$ 85,418,761.33	\$ 151,649,077.37	\$ -	\$ -	\$ 237,067,838.71

GRAND TOTAL: 93.778

Name:	Dean Daniel
Address:	729 Church Street
Phone:	Nashville, TN (615)532-1362

Signature of Agent/Authorized Representative: Dean Daniel 6/30/03

COMPLETION OF AMENDMENTS		
FY	Original Obligation	Amendment Obligation
	12/31/2005	
FY: 02	\$65,945,690.00	\$0.00
FY: 03	\$54,656,400.00	\$0.00
FY: 04	\$54,656,400.00	-\$8,070,100.52
FY: 05	\$54,646,400.00	-\$8,060,100.52
FY: 06	\$27,328,200.00	-\$4,035,050.26
Total	\$257,233,090.00	-\$20,165,251.29

Pursuant to T.C.A., Section 9-6-113, I, M. D. Goetz, Jr., Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.

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MANAGEMENT SERVICES

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Office of Contracts Review



# CONTRACT SUMMARY SHEET

Contract Number		Contract Number	FA-02-14864-02
State Agency	Department of Finance and Administration	Division	Bureau of TennCare

Contractor	VHP CARE, INC	Contract Identification Number	
	<input type="checkbox"/> V- <input type="checkbox"/> C-		

Service Description	Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population
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Contract Begin Date	7/1/01	Contract End Date	12/31/05
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Amendment Code	Cost Center	Object Code	Fund	Grant	Grant Code	Subgrant Code
318.66	420	134	11	<input type="checkbox"/> STARS		
FY	State Funds	Federal Funds	Interdepartmental Funds	Other Funding	Total Contract Amount (including ALL amendments)	
2002	\$ 23,953,123.00	\$ 41,992,567.00			\$	65,945,690.00
2003	\$ 20,079,800.00	\$ 34,576,600.00			\$	54,656,400.00
2004	\$ 20,079,800.00	\$ 34,576,600.00			\$	54,656,400.00
2005	\$ 20,079,800.00	\$ 34,576,600.00			\$	54,656,400.00
2006	\$ 10,039,900.00	\$ 17,288,300.00			\$	27,328,200.00
Total	\$ 94,232,423.00	\$ 163,010,667.00	\$ -	\$ -	\$	257,243,090.00
CFDA#	93.778					

State Fiscal Contract	Contract Name	Contract Number	Contract Period
Contract Name	Dean Daniel	Contract Number	Contract Period
Address:	729 Church Street	Contract Period	Contract Period
Phone:	Nashville, TN	Contract Period	Contract Period
	(615)532-1362	Contract Period	Contract Period

Procuring Agency Budget Officer Approval Signature	Contract Officer Signature
Dean Daniel	Dean Daniel 7/1/02

COMPLETE FOR ALL AMENDMENTS ONLY		
Amendment	Amount	Balance
Total	\$0.00	\$0.00

Pursuant to T.C.A., Section 9-6-113, I, C. Warren Neel, Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.

# CONTRACT SUMMARY SHEET

Contract Number		Contract Number	FA-02-14864-01
State Agency	Department of Finance and Administration	Division	Bureau of TennCare
Contractor	VHP CARE, INC		
		<input type="checkbox"/> V- <input type="checkbox"/> C-	Contract Identification Number

Service Description

Managed Care Organization Services/Medically necessary Health Care Services to the TennCare/Medicaid Population

Contract Begin Date	1/1/01	Contract End Date	12/31/05
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Amount Code	Post Code	Object Code	Funds	Start	Grant Code	Subgrant Code
318.66	420	134	11	<input type="checkbox"/> STARS		
FY	State Funds	Federal Funds	Interdepartmental Funds	Other Funding	Total Contract Amount (including ALL amendments)	
2002	\$ 23,953,123.00	\$ 41,992,567.00			\$	65,945,690.00
2003	\$ 20,079,800.00	\$ 34,576,600.00			\$	54,656,400.00
2004	\$ 20,079,800.00	\$ 34,576,600.00			\$	54,656,400.00
2005	\$ 20,079,800.00	\$ 34,576,600.00			\$	54,656,400.00
2006	\$ 10,039,900.00	\$ 17,288,300.00			\$	27,328,200.00
	\$ 94,232,423.00	\$ 163,010,667.00	\$ -	\$ -	\$	257,243,090.00

93.778

State Fiscal Contract	Dean Daniel 729 Church Street Nashville, TN (615)532-1362
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Procuring Agency Budget Officer Approval Signature

Dean Daniel *Dean Daniel* 7/1/02

COMPLETION FOR AMENDMENTS (only)		
Amendment	Amount	Balance
	12/31/05	
FY: 02	\$65,945,690.00	\$0.00
FY: 03	\$65,945,690.00	-\$11,289,290.00
FY: 04	\$65,945,690.00	-\$11,289,290.00
FY: 05	\$65,945,690.00	-\$11,289,290.00
FY: 06	\$32,972,845.00	-\$5,644,645.00
Total	\$296,755,605.00	-\$39,512,515.00

Pursuant to T.C.A., Section 9-6-113, I, C. Warren Neel, Commissioner of Finance and Administration, do hereby certify that there is a balance in the appropriation from which this obligation is required to be paid that is not otherwise encumbered to pay obligations previously incurred.